

PROFESSIONAL SERVICES AGREEMENT

This Agreement ("Agreement") is entered into as of July 1, 2011 ("Effective Date") by and between the State of Delaware (the "State"), Office of Management and Budget ("OMB"), and Fidelity Security Life Insurance Company, a Missouri corporation, and EyeMed Vision Care, LLC, 4000 Luxotica Place, Mason, Ohio 45040 ("Contractor").

WHEREAS, the State desires to obtain certain services to employees, pensioners and their dependants; and

WHEREAS, Contractor desires to provide such services to the State on the terms set forth below;

WHEREAS, the State and Contractor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, the State and Contractor agree as follows:

1. Services.

1.1 Contractor shall perform for the State the services specified in the Appendices to this Agreement, attached hereto and made a part hereof:

- 1.1.1 Appendix A – EyeMed Access Plan H, Fixed Fee, consisting of pages entitled Fixed Premium Progressive and Anti-Reflective Coating Price List, Diabetic Care Services, and Vision Therapy Services
- 1.1.2 Appendix B – Performance Guarantees
- 1.1.3 Appendix C – Scope of Work
- 1.1.4 Appendix D – Business Associate Agreement
- 1.1.5 Appendix E – Group Master Policy and Certificate of Fidelity Security Life Insurance Company

1.2 Any conflict or inconsistency between the provisions of the following documents shall be resolved by giving precedence to such documents in the following order: (a) this Agreement (including any amendments or modifications thereto); and (b) the State's Request for Proposal, dated August 16, 2010 ("RFP"). The RFP is specifically incorporated into this Agreement and made a part hereof. Notwithstanding the above, the parties hereto acknowledge that the benefits and services hereunder are provided pursuant and subject to a group master insurance policy and certificate, filed and approved by the Delaware Insurance Department, and any conflicts or inconsistencies among the documents concerning the benefits and services shall be resolved by reference to the group master insurance policy and certificate.

2.6 Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by Contractor. If an Appendix specifically provides for expense reimbursement, Contractor shall be reimbursed only for reasonable expenses incurred by Contractor in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, communications charges, and computer time and supplies. Receipts must be provided.

2.7 The State is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.

2.8 The State shall subtract from any payment made to Contractor all damages, costs and expenses caused by Contractor's negligence, resulting from or arising out of errors or omissions in Contractor's work products, which have not been previously paid to Contractor.

2.9 For this employee pay-all benefit, the State shall produce its own monthly invoice. Reconciliation inquiries shall be submitted to:

State of Delaware
Office of Management & Budget
Statewide Benefits Office
Attn: Colleen Kondelis
500 W. Loockerman Street, Suite 320
Dover, DE 19904

3. Responsibilities of Contractor.

3.1 Contractor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Contractor, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, Contractor shall follow practices consistent with generally accepted professional and technical standards. Contractor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the requirements of the RFP and the standards of the OMB. Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the State caused by Contractor's failure to ensure compliance with RFP requirements and OMB standards.

3.2 It shall be the duty of the Contractor to assure that all products and services are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. Contractor will not produce a work product that violates or infringes on any copyright or patent rights. Contractor shall, without additional compensation, correct or revise any errors or omissions in its work products.

3.10 The rights and remedies of the State provided for in this Agreement are in addition to any other rights and remedies provided by law.

3.11 EyeMed shall provide a written report no later than forty-five (45) days following the close of each quarter which shall describe any judgment, settlement or pending litigation involving EyeMed in the most recent quarter that could result in judgments or settlements in excess of One Hundred Thousand Dollars (\$100,000).

4. Time Schedule.

4.1 Any delay of services or change in sequence of tasks must be approved in writing by the State.

4.2 In the event that Contractor fails to complete the implementation project or any phase thereof within the time specified in the Contract, or with such additional time as may be granted in writing by the State, or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in this Agreement or any extensions thereof, the Contractor shall be subject to the penalty as provided in the applicable Performance Guarantee.

5. State Responsibilities.

5.1 In connection with Contractor's provision of the Services, the State shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

5.2 The State agrees that its officers and employees will cooperate with Contractor in the performance of services under this Agreement and will be available for consultation with Contractor at such reasonable times with advance notice as to not conflict with their other responsibilities.

5.3 The services performed by Contractor under this Agreement shall be subject to review for compliance with the terms of this Agreement by the State's designated representatives. The State representatives may delegate any or all responsibilities under the Agreement to appropriate staff members. The review comments of the State's designated representatives may be reported in writing as needed to Contractor. It is understood that the State's representatives' review comments do not relieve Contractor from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

6. Work Product.

6.1 Unless otherwise required by state insurance laws and regulations, all materials, information, documents, and reports, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by Contractor for the State relating to the services to be

9.2. Contractor shall indemnify and hold harmless the State of Delaware, its agents and employees, from any and all third party liability, suits, actions or claims, including any claims or expenses with respect to the resolution of any data security breaches/ or incidents, together with all reasonable costs and expenses (including reasonable attorneys' fees) directly arising out of (A) the negligence or other wrongful conduct of the Contractor, its agents or employees, provided, however, the participating providers on the Contractors network shall not be deemed an "agent" or "employee" of either EyeMed Vision Care or Fidelity Security Life Insurance Company, or (B) Contractor's breach of this Agreement, provided as to (A) or (B) that (i) Contractor shall have been notified promptly in writing by the State of Delaware of any notice of such claim; and (ii) Contractor shall have control of the defense of any action on such claim and all negotiations for its settlement or compromise.

10. Employees.

10.1 Contractor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Contractor in the performance of the services hereunder; provided, however, that it will, subject to scheduling and staffing considerations, attempt to honor the State's request for specific individuals.

10.2 Except as the other party expressly authorizes in writing in advance, neither party shall solicit, offer work to, employ, or contract with, whether as a partner, employee or independent contractor, directly or indirectly, any of the other party's Personnel during their participation in the services or during the twelve (12) months thereafter. For purposes of this Section 10.2, "Personnel" includes any individual or company a party employs as a partner, employee or independent contractor and with which a party comes into direct contact in the course of the services.

10.3 Possession of a Security Clearance, as issued by the State Department of Public Safety, may be required of any employee of Contractor who will be assigned to this project.

11. Independent Contractor.

11.1 It is understood that in the performance of the services herein provided for, Contractor shall be, and is, an independent contractor, and is not an agent or employee of the State and shall furnish such services in its own manner and method except as required by this Agreement. Contractor shall be solely responsible for, and shall indemnify, defend and save the State harmless from all matters relating to the payment of Contractor's employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.2 Contractor acknowledges that Contractor and any subcontractors, agents or employees employed by Contractor shall not, under any circumstances, be considered employees of the State, and that they shall not be entitled to any of the benefits or rights afforded employees of the State, including, but not limited to, sick leave, vacation leave,

- b. Any payment due to Contractor at the time of termination may be adjusted to the extent of any additional costs occasioned to the State by reason of Contractor's default, and
- c. Upon termination for default, the State may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event Contractor shall cease conducting business, the State shall have the right to make an unsolicited offer of employment to any employees of Contractor assigned to the performance of the Agreement, notwithstanding the provisions of Section 10.2.

13.4 If after termination for failure of Contractor to fulfill contractual obligations it is determined that Contractor has not so failed, the termination shall be deemed to have been effected for the convenience of the State.

13.5 The rights and remedies of the State and Contractor provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

13.6 Gratuities.

13.6.1 The State may, by written notice to Contractor, terminate this Agreement if it is found after notice and hearing by the State that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of the State with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.

13.6.2 In the event this Agreement is terminated as provided in 13.6.1 hereof, the State shall be entitled to pursue the same remedies against Contractor it could pursue in the event of a breach of this Agreement by Contractor.

13.6.3 The rights and remedies of the State provided in Section 13.6 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

14. Severability.

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

18. State of Delaware Business License.

Contractor and all subcontractors represent that they are properly licensed and authorized to transact business in the State as provided in 30 *Del. C.* §2502.

19. Complete Agreement.

19.1 This agreement and its Appendices shall constitute the entire agreement between the State and Contractor with respect to the subject matter of this Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of this agreement supersede all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of this Agreement.

19.2 If the scope of any provision of this Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

19.3 Contractor may not order any product requiring a purchase order prior to the State's issuance of such order. Each Appendix, except as its terms otherwise expressly provide, shall be a complete statement of its subject matter and shall supplement and modify the terms and conditions of this Agreement for the purposes of that engagement only. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the parties hereto with respect to the subject matter hereof.

20. Miscellaneous Provisions.

20.1 In performance of this Agreement, Contractor shall comply with all applicable federal, state and local laws, ordinances, codes and regulations. Contractor shall solely bear the costs of permits and other relevant costs required in the performance of this Agreement.

20.2 Neither this Agreement nor any appendix may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.

20.3 The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

20.4 Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the

TO Contractor at:

Ms. Liz Digiandomenico, President
EyeMed Vision Care, LLC
4000 Luxotica Place
Mason, OH 45040
cc: EyeMed Vision Care Legal Department (same address)

And

Richard F. Jones, President
Fidelity Security Life Insurance Company
3130 Broadway
Kansas City, Missouri 64111

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

**STATE OF DELAWARE
OFFICE OF MANAGEMENT AND BUDGET**

By: _____
Name: Brenda Lakeman
Title: Director
Date: 6-9-11

EYEMED VISION CARE, LLC

By: _____
Name: Kevin Hilst
Title: Senior Vice President
Date: 6-31-11

FIDELITY SECURITY LIFE INSURANCE COMPANY

By: _____
Name: David J. Smith
Title: Senior Vice President
Date: June 3, 2011

APPENDIX A

State of Delaware

Option 1

Progressive Price List *	
Member Out-of-Pocket (Includes Lens Copay)	
Standard Progressive	\$85
Premium Progressives (Scheduled):	\$111 - \$123
Image, Kodak Precise, Kodak Concise, Outlook, SOLAMAX, Gradal Top, Gradal	
Brevity, Ovation, Natural, Compact Ultra, Short Fit, "MVP"	\$111
Varilux Comfort, AO Easy, Hoyalux GP Wide, Genesis	\$117
SOLAOne, Varilux Panamic, Varilux Ellipse, Definity, Hoyalux Summit	\$123
Other Premium Progressives, including "AVP" and DST (Free Form) lenses	\$85, 80% of charge less \$120 Allowance

Anti-Reflective Coating Price List *	
Lens Option:	Member Out-of-Pocket
Standard Anti-Reflective Coating	\$45
Premium* Anti-Reflective Coatings (Scheduled):	\$57 - \$68
Crizal, Zeiss Carat, High Vision	\$57
Carat Advantage, Crizal Alize, Teflon, Super High Vision, RF Endura EZ	\$68
Luxottica Anti-Reflective Coatings (EZ Clean, Scotchgard Protector, EZClear, EasyCare, All other Target, Sears, Pearle and LensCrafters premium AR)	\$68
Other Premium Anti-Reflective Coatings	80% of charge

Other Add-ons Price List	
Lens Option:	Member Out-of-Pocket
Photochromic/Transitions Plastic	\$75

* Premium progressives and premium anti-reflective designations are subject to annual review by EyeMed's Medical director and are subject to change based on market conditions

* Fixed pricing is reflective of brands at the listed product level. All providers are not required to carry all brands at all levels.



State of Delaware
EyeMed Access Plan H, Fixed Fee
Voluntary
Option 1

Version 4

EyeMed Vision Care in conjunction with Fidelity Security Life Insurance Company

Vision Therapy Services	Member Cost	Out-of-Network
Vision Therapy Evaluation	Covered 100% \$0 copay Every 12 months	Up to \$48 allowance Once every 12 months
Vision Therapy Sessions	25% copay for up to (10) vision therapy sessions per benefit year	25% copay for up to (10) vision therapy sessions per year.

Vision Therapy Definitions

EXAM SERVICES

Sensorimotor examination with multiple measurements of ocular derivation, with interpretation and report.

VISION THERAPY SESSIONS

Orthoptic and/or phoptic training, with continual medical direction and evaluation.

Underwritten and insured by Fidelity Security Life Insurance Company, Kansas City, MO 64111, except in New York. Policy Number VC-19, M-9083.

Exclusions and Limitations

The Vision Therapy Benefit covers vision therapy eyecare evaluation services only. The following services and benefits are excluded:

- 1) Subnormal vision aids, and any associated supplemental testing; Aniseikonic lenses.
- 2) Costs associated with securing frames, lenses, or any other materials
- 3) Surgical procedures, including laser or any other form of refractive surgery, and any pre or post-operative services
- 4) Pathological treatment of any type for any condition
- 5) Any eye examination or evaluation required by an employer as a condition of employment
- 6) Services, materials, supplies, prescription medication or treatment except as specifically included in this Rider
- 7) Any vision therapy session provided for Nystagmus, Traumatic Brain Injury, Learning Disability, Dyslexia or any other condition not specifically included as a Covered Condition in this Rider



State of Delaware
Performance Guarantees
Contract Period: 7/1/2011 - 6/30/2014

Fixed Fee Quote

Fees At Risk: 5% of Premiums
Results Reported: Quarterly
Fees Measured and Paid: Annually

Performance Guarantee	Performance Results	Definition/Calculation	Amount At Risk
Implementation and On-Going Administration			
Open Enrollment Communications	100% of enrollment materials will be provided within 3 days of need-by date for all requests received at least 10 days prior to need-by date Mutually agreeable, satisfactory number of enrollment meetings	Self Explanatory	0.3% of Premiums
Member ID Cards	100% of Member ID cards will be mailed within 10 business days of receipt of clean membership data. (excludes cards requiring translation).	Measured from the date the Membership file is received by EyeMed to the date ID Cards delivered to USPS (Membership files after 4:00pm ET will count as the next business day)	0.3% of Premiums
Eligibility Updating	97% of electronic eligibility files will be processed within two (2) business days of receipt of clean data delivered via SFTP (Paper, email delivery, other = 3 days)	Measured from the date the eligibility file is received by EyeMed to the date eligibility files are loaded to EyeMed's system (Files after 4:00pm ET will count as the next business day) **Measured based on EyeMed Book of Business. Additionally, EyeMed will provide a quarterly report on Delaware's experience during the first plan year.	0.2% of Premiums
Eligibility Reporting	99% of membership post-processing reports will be forwarded within 1 business day of processing of eligibility files	Measured from the date membership files are processed to the date post-processing reports are forwarded to client **Measured based on EyeMed Book of Business.	0.2% of Premiums
Eligibility Accuracy	EyeMed will load clean eligibility data with at least 99% accuracy	Based on quality audit of 5% of all electronic file loads each month based on the rules established during implementation **Measured based on EyeMed Book of Business.	0.2% of Premiums
Implementation Satisfaction (>12,000 eligibles only)	Implementation project plan: Mutually agreeable project plan created within 30 days of award Membership File: Initial membership file loaded within 2 business days of receipt of clean data per project plan, via SFTP, with post-processing report delivered within 1 business day of load. (Assumes data testing completed in advance with client sign-off on results) Accuracy of Benefit Designs loaded to system: All plan designs set up and quality checked in advance of effective date. All data elements quality checked (member benefits, networks, billing rates, provider reimbursements, data mapping) prior to effective date. If there are any findings during the quality audit, a mutually agreeable corrective action plan will be in place prior to the effective date.	Self Explanatory	0.4% of Premiums

Performance Guarantee	Performance Results	Definition/Calculation	Amount At Risk
Utilization Reporting			
Standard Utilization Reporting Package	Producing standard Utilization Reporting Package within 45 days of the end of the reporting period	Self Explanatory	0.3% of Premiums
Information Technology			
Web Site Maintenance	Web site accessible to plan participants a minimum of 98% of the time	Self Explanatory **Measured based on EyeMed Book of Business.	0.2% of Premiums
Account Management			
Account Management Meeting	EyeMed will conduct Quarterly Account Management Meetings with State of Delaware	Self Explanatory	0.2% of Premiums
Surveys			
Member Survey (National Results)	95% member satisfaction	95% (top 3 boxes)	0.2% of Premiums
Overall Satisfaction	Score of satisfied or extremely satisfied with account management team by State Benefit Administrators based upon a mutually agreed upon Account Satisfaction Survey	Self Explanatory	0.3% of Premiums
TOTAL			5% of Premiums

** Performance guarantee results are measured on The State of Delaware's account experience, unless otherwise noted. All performance guarantees shall be reported on a quarterly basis and provided no later than 45 days following the close of each quarter. Quarterly results will be averaged on an annual basis, and payments, if any, shall be made annually within (6) months of the end of the plan year.

Approval (Finance):

Date: 2.23.11

Appendix C

Scope of Work:

1. *Ad hoc* reports are available at no cost to the State.
2. On a quarterly basis, within forty-five (45) days following the close of the quarter, Contractor will provide the Standard Utilization Reporting Package and capture and report high-risk diagnosis codes (ICD-9) to the State.
3. On a monthly basis and at no cost to the State, after implementation Contractor agrees to provide the State's disease management vendor and/or data mining vendor with claims data. Contractor may, at the direction of the State, be required to provide claims data to other parties and/or business partners of the State, including, but not limited to, the State's healthcare consultant, actuary, and data mining vendor, as determined necessary for the administration of the State's Group Health Insurance Program. Such requests shall be fulfilled at no cost to the State. State acknowledges that the release of claims data must be done in compliance with HIPAA Privacy rules and regulations.
4. Contractor will reimburse the State for implementation costs up to Twenty Thousand Dollars (\$20,000) within thirty (30) days of receipt of invoice and documentation. State shall provide Contractor with an invoice and completed W-9 form for agreed upon costs which are not incurred by the Contractor.
5. Contractor agrees to recruit the top five (5) providers currently utilized by the current active employees and the top five (5) providers currently utilized by the retirees and which are not currently in the EyeMed network. (The following list of nine providers includes one provider that overlaps the active and retiree populations.) The providers are:

NPI	Name	City, State	Phone
1558440032	Bryan Sterling, OD	Dover, DE	302-734-3511
1619933785	Hayley Sprague, OD	Lewes, DE	302-645-8811
1831194927	Carl Maschauer, OD	Georgetown, DE	302-856-2020
1821269473	Aimee Parker, OD	Georgetown, DE	302-856-2020
1508869843	Jeanne Murphy, OD	Salisbury, MD	410-749-1191
1386732592	Patricia Lynch, OD	Wilmington, DE	302-654-6490
1073535571	Lawrence Kruse, OD	Newark, DE	302-731-7132
1821290792	Rebecca Verna, OD	Boothwyn, PA	610-485-1500
1619969235	Edward Abou Jaoude, MD	Milton, DE	302-684-2020

APPENDIX D

- I. **Summary Health Information.** "Summary Health Information" means information, which may be PHI, (1) that summarizes the claims history, claims expenses, or types of claims experienced by Covered Persons for whom a Plan Sponsor has provided health care benefits under the Plan, and (2) from which the identifiers specified in 45 CFR §164.514(b)(2)(i) have been deleted (except that the zip code information described in 45 CFR §164.514(b)(2)(i)(B) may be aggregated to the level of a five (5) digit zip code).
- J. **Electronic PHI.** "Electronic PHI" shall mean PHI that is subject to the Security Rule, limited to such information created, received, maintained, or transmitted electronically.
- K. **Security Incident.** "Security Incident" shall have the same meaning as "security incident" in 45 CFR 164.304, limited to any such incident involving Electronic PHI.
- L. **Security Rule.** "Security Rule" shall mean the Security Standards for the Protection of Electronic PHI at 45 CFR §§160, 162 and 164.
- M. **Breach.** "Breach" shall mean an unauthorized acquisition, use or disclosure of protected health information (PHI) which compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information. For purposes of this definition, "compromises the security or privacy of such information" means poses a significant risk of financial, reputational or other harm to individual.
- N. **Secured PHI.** "Secured PHI" shall mean PHI when it is rendered unusable, unreadable, or indecipherable. Methodologies that render PHI secure are as follows:
- Encryption of electronic data per National Institute Standards and Technology guidelines
 - Destruction of electronic media as per NIST Standards
 - Destruction or shredding of paper, film or other hard copy media
- O. **Unsecured PHI.** "Unsecured PHI" is "unsecure" when it is not rendered unusable, unreadable or indecipherable to authorized individuals through the use of a technology or methodology specified by the Department of Health and Human Services.
- P. All other capitalized terms used in this BA Agreement shall have the meanings set forth in the applicable definitions under the HIPAA Privacy/Security Rule or the Standards for Electronic Transactions.

II. **PERMITTED USES AND DISCLOSURES BY CONTRACTOR**

- A. During the continuance of the Contract, Contractor will perform services necessary in connection with the Plan as outlined in the Contract. These services may include Payment activities, Health Care Operations, and Data Aggregation as these terms are defined in 45 CFR §164.501. In connection with the services to be performed pursuant to the Contract, Contractor is permitted or required to use or disclose PHI it creates or receives for or from the Plan or to request PHI on the Plan's behalf as provided below.
- B. **Functions and Activities on the Plan's Behalf.** Unless otherwise limited in this BA Agreement, Contractor may use or disclose PHI to perform functions, activities, or services for, or on behalf of, the Plan as specified in the Contract. Contractor may decide in its own reasonable discretion what uses and disclosures of PHI are required for it to perform administrative services for the Plan as outlined in this BA Agreement and in the Contract as well as in accordance with the law.
1. **Use for Contractor's Operations.** Contractor may use PHI it creates or receives for or from the Plan for Contractor's proper management and administration or to carry out Contractor's legal responsibilities in connection with services to be provided under the Contract.

- B. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of this BA Agreement.
- C. Contractor agrees to report to Covered Entity, without unreasonable delay and in any event within 60 days, any use or disclosure of the PHI not provided for by this BA Agreement or otherwise in writing by the Plan. Contractor shall maintain a written log recording the date, name of Covered Person and description of PHI for all such unauthorized use or disclosure and shall submit such log to the Plan Sponsor semiannually and by request.
- D. Contractor will require that any agent, including a subcontractor, to whom it provides PHI as permitted by this BA Agreement (or as otherwise permitted with the Plan's prior written approval), agrees to the same restrictions and conditions that apply through this BA Agreement to Contractor with respect to such information.
- E. Contractor agrees to make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- F. Contractor agrees to implement administrative, physical, and technical safeguards (as set forth in the Security Rule) that reasonably and appropriately protect the confidentiality and integrity (as set forth in the Security Rule), and the availability of Electronic PHI, if any, that Contractor creates, receives, maintains, or transmits electronically on behalf of Covered Entity. Contractor agrees to provide adequate training to its staff concerning HIPAA and Contractors responsibilities under HIPAA.
- G. Contractor agrees to report to Covered Entity any Security Incident of which Contractor becomes aware.
- H. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides Electronic PHI, agrees to implement reasonable and appropriate safeguards to protect such information.
- I. Contractor agrees to directly provide notice to any effected participants in the event of a Breach and to send a written log each such Breach and notice to participants to the covered entity within 30 days of notification. Contractor agrees to notify participants in accordance with the guidelines and standards set forth by the Department of Health and Human Services under the American Reinvestment & Recovery Act and the HITECH Act.

IV. INDIVIDUAL RIGHTS OBLIGATIONS

- A. **Access.** Contractor and the Plan agree that, wherever feasible, and to the extent that responsive information is in the possession of Contractor, Contractor will provide access to PHI as required by 45 CFR §164.524 on the Plan's behalf. Contractor will provide such access according to its own procedures for such access. Contractor represents that its procedures for such access comply with the requirements of 45 CFR §164.524. Such provision of access will not relieve the Plan of any additional and independent obligations to provide access where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will make available for inspection and obtaining copies by the Plan, or at the Plan's direction by the Covered Person (or the Covered Person's personal representative), any PHI about the Covered Person created or received for or from the Plan in Contractor's custody or control contained in a Designated Record Set, so that the Plan may meet its access obligations under 45 CFR §164.524. All fees related to this access, as determined by Contractor, shall be borne by Covered Persons seeking access to PHI.

Disclosure Information (except Contractor will not be required to have Disclosure Information for disclosures occurring before April 14, 2003).

D. Right to Request Restrictions and Confidential Communications

So that the Plan may meet its obligations to evaluate requests for restrictions and confidential communications in connection with the disclosure of PHI under 45 CFR §164.522, Contractor and the Plan agree that, wherever feasible and to the extent that communications are within the control of Contractor, Contractor will perform these evaluations on behalf of the Plan. Contractor will evaluate such requests according to its own procedures for such requests, and shall implement such appropriate operational steps as are required by its own procedures. Contractor represents that its procedures for evaluating such requests comply with the requirements of 45 CFR §164.522. Such evaluation will not relieve the Plan of any additional and independent obligations to evaluate restrictions or implement confidential communications where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will evaluate requests for restrictions and requests for confidential communications, and will respond to these requests as appropriate under Contractor's procedures.

V. OBLIGATIONS OF THE COVERED ENTITY

- A. Covered Entity shall provide Contractor with any changes in, or revocation of, permission by Individual to use or disclose PHI, if such changes affect Contractor's permitted or required uses and disclosures.
- B. Covered Entity shall notify Contractor of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522.
- C. Covered Entity shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity except as provided in this BA Agreement. In no event shall Covered Entity request Contractor to disclose to Covered Entity or agents of Covered Entity any PHI unless such disclosure is the minimum necessary disclosure that satisfies the request and that such disclosure is solely for the purpose of treatment, payment or plan operations.

VI. BREACH OF PRIVACY OBLIGATIONS

Without limiting the rights of the parties under the Contract, the Plan will have the right to terminate the Contract if Contractor has engaged in a pattern of activity or practice that constitutes a material breach or violation of Contractor's obligations regarding PHI under this BA Agreement and, on notice of such material breach or violation from the Plan, fails to take reasonable steps to cure the breach or end the violation.

If Contractor fails to cure the material breach or end the violation after the Plan's notice, the Plan may terminate the Contract by providing Contractor written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. Such termination shall be effective 60 days from this termination notice.

A. Effect of Termination.

1. Return or Destruction upon Contract End

Upon cancellation, termination, expiration or other conclusion of the Contract, Contractor will if feasible return to the Plan or destroy all PHI, in whatever form or medium (including in any electronic medium under Contractor's custody or control), that Contractor created or received for

K. **Expenses.** Unless otherwise stated in this BA Agreement or the Contract, each party shall bear its own costs and expenses related to compliance with the above provisions. Any additional expenses incurred by Contractor in connection with services to be provided pursuant to this BA Agreement shall be included in the Contract.

L. **Documentation.** All documentation that is required by this BA Agreement or by the HIPAA Privacy Rule must be retained by Contractor for six years from the date of creation or when it was last in effect, whichever is longer.

AGREED by and between the undersigned Parties this 9 day of June 2011.

For State of Delaware:

EyeMed Vision Care:

By: _____

By: _____

Title: DIRECTOR, STATEWIDE BENEFITS

Title: Senior Vice President

Printed Name

Printed Name

Address for Notices:

Statewide Benefits Office, OMB
Attention: Brenda Lakeman, Director
500 W. Loockerman Street, Suite 320
Dover, DE 19904

Address for Notices:

4000 Luxottica Place
Mason, Ohio 45040
Attn: Kevin Hilst

Fidelity Security Insurance Company

By: _____

Title: Senior Vice President

Print Name

Address for Notices:

3130 Broadway
Kansas City, Missouri 64111-2406

Attn: _____

APPENDIX E

PREMIUMS

Premiums are payable in advance by the Policyholder. The first premium is due on the effective date of the Policy. Subsequent premiums are due on the first day of each calendar month thereafter.

The required premium due on each premium due date is the sum of the premiums for all Insureds and their Dependents covered under the Policy. The premiums due will be determined by applying the premium rates then in effect for each plan provided by the Policy to the number of Insured Persons. All premiums are payable to the Company at the Company's home office or to any of the Company's authorized agents.

The premium due may be adjusted due to a change in insurance as requested by the Policyholder or as required by the Company as follows:

1. if an amount of insurance is added or increased during a calendar month, premiums will be increased as of the date the change becomes effective, unless otherwise mutually agreed;
2. if an amount of insurance is deleted or decreased during a calendar month, premium will cease or be decreased at the end of the calendar month in which the deletion or decrease occurred, unless otherwise mutually agreed;
3. if the Policyholder's contribution percentage is changed, premium will be adjusted at the end of the calendar month in which the change occurred, unless otherwise mutually agreed; or
4. if the number of eligible employees increases or decreases by more than 10%, premium will be adjusted at the end of the calendar month in which the increase or decrease occurred, unless otherwise mutually agreed.

If premiums are due the Company, or premium refunds are due the Policyholder as a result of clerical error or delay in the reporting of dates and/or data to the Company, all premiums or refunds will be calculated at the current rate of premium payment and are limited to a maximum period of three months.

Premium Rate Change. The Company has the right to change the premium rate on or after the fifth Policy Anniversary Date. The Company will provide written notice at least 31 days before the date of change.

Grace Period. A grace period of 31 days will be allowed to the Policyholder for the payment of each premium due after the first premium. The Policy will remain in force during the grace period. If the required premium is not paid by the end of the 31-day period, the Policy will terminate. The Policyholder will be required to pay premium for the grace period.

Return of Premium. The Company reserves the right to rescind the coverage for one or all Insureds due to misrepresentation or fraud on the Policyholder's application or an Insured's enrollment form, if such misrepresentation materially affected the acceptance of the risk.

If, on the date coverage is rescinded, no claims have been paid under the Policy, the Company will return all premiums paid for such coverage to the Policyholder.

If, on the date coverage is rescinded, claims have been paid under the Policy, the Company reserves the right to deduct an amount equal to the amount of such claims paid from the premiums to be returned to the Policyholder.

TERMINATION OF POLICY

The Policyholder or the Company may terminate or cancel the Policy on the earliest of the following:

1. on any date on or after the fifth Policy Anniversary Date. Written notice must be provided to the other party at least 31 days prior to termination;
2. the date the number or percentage of persons covered under the Policy does not meet the minimum participation requirements of 10;
3. the date the required premium has not been paid, except as provided in the Grace Period provision; or
4. the date 100% of the eligible employees are not covered when a contribution is not required by the employee.

The Policyholder is responsible for notifying the Insured of the termination of the Policy.



FIDELITY SECURITY LIFE INSURANCE COMPANY

3130 Broadway
Kansas City, Missouri 64111-2406
Phone 800-648-8624
A STOCK COMPANY
(Herein Called "the Company")

POLICY NUMBER: VC-19
POLICYHOLDER: State of Delaware
POLICY EFFECTIVE DATE: July 1, 2011
POLICY ANNIVERSARY DATE: July 1 of the following year and each July 1 thereafter

Fidelity Security Life Insurance Company represents that the Insured Person is insured for the benefits described on the following pages, subject to and in accordance with the terms and conditions of the Policy.

The Policy may be amended, changed, cancelled or discontinued without the consent of any Insured Person.

The Certificate explains the plan of insurance. An individual identification card will be issued to the Insured containing the group number and the Insured's effective date. The Certificate replaces all certificates previously issued to the Insured under the Policy.

All periods of time under the Policy will begin and end at 12:01 A.M. Local Time at the Policyholder's business address.

The Policy is issued by Fidelity Security Life Insurance Company at Kansas City, Missouri on the Policy Effective Date.

FIDELITY SECURITY LIFE INSURANCE COMPANY

President

Secretary

GROUP VISION INSURANCE CERTIFICATE
THIS IS A LIMITED BENEFIT CERTIFICATE
Please read the Certificate carefully.

THIS PLAN IS NOT MEDICARE SUPPLEMENT. If you are eligible for Medicare, please review "Choosing a Medigap Policy: A Guide to Health Insurance for People With Medicare," available from the Company.

DEFINITIONS

Benefit Frequency means the period of time in which a benefit is payable.

The Benefit Frequency begins on the Policy Effective Date. Each new Benefit Frequency begins at the expiration of the previous Benefit Frequency.

Co-payment means the designated amount, if any, shown in the Schedule of Benefits each Insured Person must pay to a Provider before benefits are payable for a covered Vision Examination or Vision Materials per Benefit Frequency.

Comprehensive Eye Examination means a comprehensive ophthalmological service as defined in the Current Procedural Technology (CPT) and the Documentation Guidelines listed under "Eyes-examination items". Comprehensive ophthalmological service describes a general evaluation of the complete visual system. The comprehensive services constitute a single service entity but need not be performed at one session. The service includes history, general medical observation, external and ophthalmoscopic examinations, gross visual fields and basic sensorimotor examination. It often includes, as indicated by examination, biomicroscopy, examination with cycloplegia or mydriasis and tonometry. It always includes initiation of diagnostic and treatment programs.

Dependent means any of the following persons whose coverage under the Policy is in force and has not ended:

1. the Insured's lawful spouse;
2. each unmarried child from birth to age 24 who is primarily dependent upon the Insured for support and maintenance;
3. each unmarried child at least 24 years of age to 25 years of age who is primarily dependent upon the Insured for support and maintenance and who is a full-time student; or
4. each unmarried child at least 24 years of age: who is primarily dependent upon the Insured for support and maintenance because the child is incapable of self-sustaining employment by reason of mental incapacity or physical handicap; who was so incapacitated and is an Insured Person under the Policy on his or her 24th birthday; and who has been continuously so incapacitated since his or her 24th birthday.

Child includes stepchild, foster child, legally adopted child, child legally placed in the Insured's home for adoption and child under the Insured's legal guardianship. Child also includes a child who is not covered under any other group or individual health benefit plan and who does not have a dependent child of his or her own.

A full-time student is one who is enrolled at least the minimum number of hours of class a week the school considers as full-time status.

Insured means an employee of the Policyholder who meets the eligibility requirements as shown in the Policyholder's application, and whose coverage under the Policy is in force and has not ended.

Insured Person means the Insured. Insured Person will also include the Insured's Dependents, if enrolled.

In-Network Provider means a Provider who has signed a Preferred Provider Agreement with the PPO.

Medically Necessary Contact Lenses means:

1. Keratoconus where the Insured Person is not correctable to 20/30 in either or both eyes using standard spectacle lenses, or the Provider attests to the specified level of visual improvement;
2. High Ametropia exceeding -10D or +10D in spherical equivalent in either eye;
3. Anisometropia of 3D in spherical equivalent or more; or
4. vision for an Insured Person can be corrected two lines of improvement on the visual acuity chart when compared to best corrected standard spectacle.

Out-of-Network Provider means a Provider, located within the PPO Service Area, who has not signed a Preferred Provider Agreement with the PPO.

BENEFITS

Benefits are payable for each Insured Person as shown in the Schedule of Benefits for expenses incurred while this insurance is in force.

Comprehensive Eye Examination. An Insured Person is eligible for one Comprehensive Eye Examination in each Benefit Frequency.

In-Network Provider Benefits. The Insured Person must pay any Co-payment or any cost above the allowance shown in the Schedule of Benefits at the time the covered service is provided. Benefits will be paid to the In-Network Provider who will file a claim with the Company.

Out-of-Network Provider Benefits. The Insured Person must pay the Out-of-Network Provider the full cost at the time the covered service is provided and file a claim with the Company. The Company will reimburse the Insured Person for the Out-of-Network Provider benefits up to the maximum dollar amount shown in the Schedule of Benefits.

Vision Materials. If a Vision Examination results in an Insured Person needing corrective Vision Materials for the Insured Person's visual health and welfare, those Vision Materials prescribed by the Provider will be supplied, subject to certain limitations and exclusions of the Policy, as follows:

- *Lenses* provided one time in each Benefit Frequency.
- *Frames* provided one time in each Benefit Frequency.
- *Contact Lenses* provided one time in each Benefit Frequency in lieu of lenses.

LIMITATIONS

Fees charged by a Provider for services other than a covered benefit must be paid in full by the Insured Person to the Provider. Such fees or materials are not covered under the Policy.

For Contact Lenses, any remaining balance may be used within the same Benefit Frequency. Where the Insured Person previously utilized an In-Network Provider, the remaining balance must be used with the same or any other In-Network Provider. Where the Insured Person previously utilized an Out-of-Network Provider, the remaining balance must be used with the same or any other Out-of-Network Provider.

EXCLUSIONS

No benefits will be paid for services or materials connected with or charges arising from:

1. subnormal vision aids and any associated supplemental testing; Aniseikonic lenses;
2. medical and/or surgical treatment of the eye, eyes or supporting structures;
3. any eye or Vision Examination, or any corrective eyewear required by a Policyholder as a condition of employment; safety eyewear;
4. services provided as a result of any Workers' Compensation law, or similar legislation, or required by any governmental agency or program whether federal, state or subdivisions thereof;
5. plano (non-prescription) lenses;
6. non-prescription sunglasses;
7. two pair of glasses in lieu of bifocals;
8. services or materials provided by any other group benefit plan providing vision care;

Claim Forms. The Company will furnish claim forms to the Insured Person within 15 days after notice of claim is received. If the Company does not provide the forms within that time, the Insured Person may send written proof of the occurrence, character and extent of loss for which the claim is made within the time stated in the Policy for filing proof of loss.

Proof of Loss. Written proof of loss must be furnished to the Company at the Company's home office within 90 days after the date of the loss. Failure to furnish proof within the time required will not invalidate or reduce any claim if it was not reasonably possible to give proof within that time, if the proof is furnished as soon as reasonably possible. In no event, except in the absence of legal capacity, will proof of loss be accepted later than one year from the time proof is required.

Time Payment of Claims. Any benefit payable under the Policy will be paid immediately, but not more than 30 days, upon receipt of due written proof of loss.

Payment of Claims. All claims will be paid to the Insured, unless assigned. Any benefits payable on or after the Insured's death will be paid to the Insured's estate.

Right of Recovery. If payment for claims exceeds the amount for which the Insured Person is eligible under any benefit provision or rider of the Policy, the Company has the right to recover the excess of such payment from the Provider or the Insured.

Legal Actions. No Insured Person can bring an action at law or in equity to recover on the Policy until more than 60 days after the date written proof of loss has been furnished according to the Policy. No such action may be brought after the expiration of three years after the time written proof of loss is required to be furnished. If the time limit of the Policy is less than allowed by the laws of the state where the Insured Person resides, the limit is extended to meet the minimum time allowed by such law.

GENERAL PROVISIONS

Clerical Error. Clerical errors or delays in keeping records for the Policy will not deny insurance that would otherwise have been granted, nor extend insurance that otherwise would have ceased, and call for a fair adjustment of premium and benefits to correct the error.

Conformity to Law. Any provision of the Policy that is in conflict with the laws of the state in which it is issued is amended to conform with the laws of that state.

Entire Contract. The Policy, including any endorsements and riders, the Certificate, the Policyholder's application, which is attached to the Policy when issued, the Insured's individual enrollment form, if any, and the eligibility file, if any, are the entire contract between the parties. A copy of the Policy may be examined at the Office of the Policyholder during normal business hours. All statements made by the Policyholder or an Insured will, in the absence of fraud, be deemed representations and not warranties, and no such statement shall be used in defense to a claim hereunder unless it is contained in a written instrument signed by the Policyholder, the Insured, the Insured's beneficiary or personal representative, a copy of which has been furnished to the Policyholder, the Insured, the Insured's beneficiary or personal representative.

Amendments and Changes. No agent is authorized to alter or amend the Policy, or to waive any conditions or restrictions herein, or to extend the time for paying any premium. The Policy and the Certificate may be amended at any time by mutual agreement between the Policyholder and the Company without the consent of the Insured, but without prejudice to any loss incurred prior to the effective date of the amendment. No person except an Officer of the Company has authority on behalf of the Company to modify the Policy or to waive or lapse any of the Company's rights or requirements.

Incontestability. After the Policy has been in force for two years, it can only be contested for nonpayment of premiums. No statement made by an Insured Person can be used in a contest after the Insured Person's insurance has been in force for two years during the Insured Person's lifetime. No statement an Insured Person makes can be used in a contest unless it is in writing and signed by the Insured Person.

SCHEDULE OF BENEFITS

Insured Persons have the right to obtain vision care from the Provider of his or her choice. However, payment of benefits varies depending on the type of Provider chosen. Benefits are payable as shown in the following Schedule of Benefits:

<u>Benefit</u>	<u>In-Network</u>	<u>Out-of-Network</u>	<u>Benefit Frequency</u>
VISION EXAMINATION			
Comprehensive Eye Examination	\$10 Co-payment	up to \$35	12 months
VISION MATERIALS			
Standard Plastic Lenses			12 months
Single Vision	\$20 Co-payment	up to \$25	
Bifocal	\$20 Co-payment	up to \$40	
Trifocal	\$20 Co-payment	up to \$55	
Lenticular	\$20 Co-payment	up to \$55	
Frames	\$0 Co-payment up to \$160 allowance	up to \$45	12 months
Contact Lenses (only one option available per Benefit Frequency)			12 months
Conventional	\$0 Co-payment up to \$160 allowance	up to \$105	
Disposable	\$0 Co-payment up to \$160 allowance	up to \$105	
Medically Necessary	\$0 Co-payment; Paid in full	up to \$200	
Lens Options			12 months
Standard Polycarbonate (For covered Dependent children under 19 years of age.)	\$0 Co-payment	up to \$5	
Standard Plastic Scratch Coating	\$0 Co-payment	up to \$5	

BENEFITS

Benefits are payable as shown in the Schedule of Benefits for expenses incurred while this insurance is in force for each Insured Person who has Type 1 or Type 2 Diabetes.

Extended Ophthalmoscopy. An Insured Person is eligible for one initial Extended Ophthalmoscopy examination and one subsequent Extended Ophthalmoscopy examination for diabetic vision care in each Benefit Frequency. The Extended Ophthalmoscopy must provide information not available from the standard evaluation services and/or information that will demonstrably affect the treatment plan. The Extended Ophthalmoscopy is not covered if a Retinal Imaging Examination was provided within the previous six-month period.

Gonioscopy. An Insured Person is eligible for one Gonioscopy for diabetic vision care in each Benefit Frequency.

Medical Follow Up Eye Examination. An Insured Person is eligible for one Medical Follow Up Eye Examination for diabetic vision care in each Benefit Frequency.

Retinal Imaging Examination. An Insured Person is eligible for one Retinal Imaging Examination for diabetic vision care in each Benefit Frequency. The Retinal Imaging Examination is not covered if an Extended Ophthalmoscopy was provided within the previous six-month period.

Scanning Laser. An Insured Person is eligible for one Scanning Laser for diabetic vision care in each Benefit Frequency.

EXCLUSIONS

In addition to the Exclusions in the Policy/Certificate, no benefits will be paid for services connected with or charges arising from:

1. any Vision Materials;
2. orthoptic or vision training, subnormal vision aids and any associated supplemental testing;
3. medical, pathological and/or surgical treatment of the eye, eyes or supporting structures;
4. any Vision Examination required by a Policyholder as a condition of employment; or
5. services, supplies, prescription medication or treatment for diabetes, except as specifically included in this Rider.

This Rider takes effect on the effective date of the Policy/Certificate to which it is attached. This Rider terminates concurrently with the Policy/Certificate to which it is attached. It is subject to all the definitions, limitations, exclusions and conditions of the Policy/Certificate except as stated.

FIDELITY SECURITY LIFE INSURANCE COMPANY

 President

Secretary



FIDELITY SECURITY LIFE INSURANCE COMPANY

3130 Broadway
Kansas City, Missouri 64111-2406
Phone 800-648-8624
A STOCK COMPANY
(Herein Called "the Company")

AMENDATORY RIDER REGARDING REPLACEMENT COVERAGE

The Policy/Certificate to which this Amendment Rider is attached is amended as follows:

The following applies when the Policy serves to replace coverage an Employer previously obtained through another plan or policy. In this provision, that other plan or policy is referred to as the prior plan. An Employer's coverage under the Policy will not be considered as replacement coverage unless the Employer's coverage under the Policy takes effect within 60 days after coverage under the prior plan ends.

In the absence of this provision, an Insured Person who was covered by the prior plan at the date of discontinuance might not qualify for coverage under the Policy because the person is not actively at work or is confined in a Hospital.

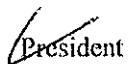
Each such person will be insured under the Policy if:

- (a) the person was insured under the prior plan, including coverage under the prior plan's extension of benefits provision, on the date the Employer's coverage with the prior plan ended;
- (b) the prior plan covered more than fifteen (15) people; and
- (c) the person is in a class of persons eligible for coverage under the Policy.

The benefits payable for the persons described above will be the benefits of the Policy less any amount payable under the prior plan pursuant to any extension of benefits provision.

This Rider takes effect on the effective date of the Policy/Certificate to which it is attached. This Rider terminates concurrently with the Policy/Certificate to which it is attached. It is subject to all the terms and conditions of the Policy/Certificate except as stated herein.

FIDELITY SECURITY LIFE INSURANCE COMPANY

 President

Secretary

VISION THERAPY BENEFIT RIDER

Replace upon Delaware Department of Insurance

Approval of Rider

FACTS**WHAT DOES Fidelity Security Life Insurance Company and Affiliates DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and transaction history
- medical information and insurance claim information
- assets and checking account information

When you are no longer our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Fidelity Security Life Insurance Company and Affiliates choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Fidelity Security Life share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes – information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 800-648-8624 or go to www.fslins.com or www.ftj.com

EyeMed

VISION CARE®

Application for Vision Care Benefits

Underwritten by Fidelity Security Life Insurance Company
Kansas City, Missouri

I. GROUP INFORMATION

Group Name: State of Delaware Tax ID: 51-6000279

DBA Name (if other than above): _____

Business Address: Office of Management & Budget, Statewide Benefits, 500 W. Loockerman St., Suite 320

City: Dover State: DE Zip: 19904

Mailing Address: Same City: _____ State: _____ Zip: _____

Primary Contact: Brenda Lakeman Title: Director

Phone Number: 302-739-8331 Fax Number: 302-739-8339

E-mail Address: brenda.lakeman@state.de.us

Type of Business: ☐ Proprietorship ☐ Corporation ☒ Other (Specify) State Government

PLEASE NOTE THE FOLLOWING TYPE BUSINESSES REQUIRE PRIOR CARRIER APPROVAL:

☐ MEWA ☐ PEO ☐ Trust ☐ Union

If any subsidiary or affiliated companies are to be insured or any Employees/Members are working at a location other than the address above, please explain. Employees/members work at various locations around the state, but the billing is centrally located as follows:

Billing Contact Name: Casey Oravez, Administrative Accountant Phone: 302-672-5235; 302-739-7839

fax

Billing Address: State of Delaware, OMB; Haslet Armory; 122 William Penn Street City: Dover State:

DE Zip: 19901

If you have subsidiaries, affiliated companies, or divisions who use another name and will be covered by this plan, AND require separate billing invoices, please attach the following information on a separate sheet of paper signed by you: • Name • Address • Billing Contact & Phone Number

Will this plan replace any existing coverage? ☒ Yes ☐ No

If "Yes," indicate name and address of existing insurer:

Name: Vision Service Plan Address: 3333 Quality Drive

City: Rancho Cordova State: CA Zip: 95670

Effective date of existing coverage: 07/01/05

Termination date of existing coverage (if applicable): 06/30/11

If "Yes," are any Employees/Members on COBRA continuation? ☒ Yes ☐ No How many? 15
members and 9 dependents for the month of January, 2011

Do you intend to offer Employees/Members COBRA continuation? ☒ Yes ☐ No

For New Employees/Members: ☐ 30 days ☐ 60 days ☐ 90 days ☐ 180 days ☒ Other The first day of the next month after hire OR no later than the first day of the month following ninety (90) days of employment.

Probationary Period is waived for present Employees/Members: ☒ Yes ☐ No

Number of Employees/Members who have not yet completed the probationary period: not applicable due to binding fiscal year enrollment beginning July 1, 2011.

V. EFFECTIVE DATE

This plan will become effective at 12:01 a.m. Local Time at the Group's address herein, on the first day of July 1, 2011, provided all of the following have been completed prior to this effective date:

- A. This application has been received and accepted by the Company (must be submitted 30 days in advance of the effective date).
- B. EyeMed has been furnished a working file of all eligible Employees/Members, according to the layout guidelines. It is understood and agreed that EyeMed may rely on this information to provide services to individuals designated as eligible.

The Group hereby makes application to Fidelity Security Life Insurance Company for Vision Care Benefits. The Group agrees to maintain and furnish any records necessary to administer this plan and to forward premiums monthly.

The Group certifies that all the information shown on this application and any attachments are correct and complete as of the date this application is signed. The Group understands that the Company intends to rely on this information in determining whether or not the enrolling Employees/Members and their Dependents may become insured. It is further understood and agreed that **NO INSURANCE WILL BECOME EFFECTIVE UNTIL APPROVED BY THE COMPANY**; and that no field representative of the Company has the authority to modify any conditions of the application or the Policy by making any promise or representation. It is understood that the insurance as to any Employee/Member will not become effective on the date insurance should otherwise become effective if he or she is not at work on such date performing all duties of his or her occupation and otherwise meets the requirements of the Company.

I hereby represent that I have reviewed the fraud warning notice (if applicable) on the reverse side of this application for the Group's state of domicile.

Dated at SP this 21st day of February, 2010 11 12

Signed for the Group: X Title: Director,
Statewide Benefits

VI. EMPLOYEE/MEMBER ID CARDS

Group will be receiving ID cards: ☒ Yes ☐ No

Company Name State of Delaware

(Maximum of 30 characters, including punctuation, spacing and any code.)

Delivery of ID cards mailed directly to Employee's/Member's home address.

ATTENTION: THE DEPARTMENT OF INSURANCE REQUIRES THAT ONLY THE BROKER AND/OR GENERAL AGENT WHO SOLD THE PRODUCT AND HOLDS A VALID LIFE AND HEALTH LICENSE MAY COMPLETE THE CERTIFYING STATEMENT.

WRITING BROKER'S CERTIFYING STATEMENT

I certify that I have accurately recorded on this application the information supplied by the applicant and I am properly licensed in the state in which the Group is domiciled.

Firm Name (print): _____ Tax ID No.: _____

Broker Name (print): _____ SS#: _____

WRITING GENERAL AGENT'S CERTIFYING STATEMENT

I certify that I have accurately recorded on this application the information supplied by the applicant and I am properly licensed in the state in which the Group is domiciled.

Firm Name (print): _____ Tax ID No.: _____

General Agent Name (print): _____ SS#: _____

Address: _____ City: _____ State: _____ ZIP: _____

Phone: _____ Fax: _____

Primary Contact: _____ Title: _____ E-mail Address: _____

Secondary Contact: _____ Title: _____ E-mail Address: _____

Commission checks payable to: ☐ Firm ☐ General Agent

General Agent's Signature: X

FRAUD WARNING NOTICE

For Groups of all states (except the following:)	Any person who, with intent to defraud or knowing that he or she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.
Arkansas	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Colorado	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
Louisiana West Virginia	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Nebraska	Any person who, with intent to defraud or knowing that he or she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.
Pennsylvania	Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.
Washington	It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.